

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA	:	
	:	CONSENT PRELIMINARY ORDER
- v. -	:	OF FORFEITURE/
	:	<u>MONEY JUDGMENT</u>
GERALD SHVARTSMAN,	:	
	:	S1 23 Cr. 307 (LJL)
Defendant.	:	
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WHEREAS, on or about February 6, 2024, GERALD SHVARTSMAN (the “Defendant”), among others, was charged in a twelve-count Superseding Indictment, S1 23 Cr. 307 (LJL) (the “Indictment”), with, *inter alia*, securities fraud, in violation of Title 15, United States Code, Sections 78j(b) and 78ff; Title 17, Code of Federal Regulations, Sections 240.10b-5; and Title 18, United States Code, Section 2 (Count Four);

WHEREAS, the Indictment included a forfeiture allegation as to Count Four, seeking forfeiture to the United States, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, 2461(c), of any and all property, real and personal, that constitutes or is derived from proceeds traceable to the commission of the offense charged in Count Four of the Indictment, including but not limited to a sum of money in United States currency representing the amount of proceeds traceable to the commission of the offense charged in Count Four of the Indictment;

WHEREAS, on or about April 2, 2024, the Defendant pled guilty to Count Four of the Indictment, pursuant to a plea agreement with the Government, wherein the Defendant admitted the forfeiture allegation with respect to Count Four of the Indictment and agreed to forfeit to the United States, any and all property, real and personal, that constitutes or is derived from proceeds traceable to the commission of the offense charged in Count Four of the Indictment,

including but not limited to a sum of money in United States currency representing the amount of proceeds traceable to the commission of the offense charged in Count Four of the Indictment;

WHEREAS, the Defendant consents to the entry of a money judgment in the amount of \$4,600,000.00 in United States currency, representing the amount of proceeds traceable to the offense charged in Count Four of the Indictment that the Defendant personally obtained; and

WHEREAS, the Defendant admits that, as a result of acts and/or omissions of the Defendant, the proceeds traceable to the offense charged in Count Four of the Indictment that the Defendant personally obtained cannot be located upon the exercise of due diligence;

IT IS HEREBY STIPULATED AND AGREED, by and between the United States of America, by its attorney Damian Williams, United States Attorney, Assistant United States Attorneys Daniel G. Nessim, Elizabeth A. Hanft, and Matthew R. Shahabian of counsel, and the Defendant and his counsel, Roland Riopelle, Esq., that:

1. As a result of the offense charged in Count Four of the Indictment, to which the Defendant pled guilty, a money judgment in the amount of \$4,600,000.00 in United States currency (the "Money Judgment"), representing the amount of proceeds traceable to the offense charged in Count Four of the Indictment that the Defendant personally obtained, shall be entered against the Defendant.

2. Pursuant to Rule 32.2(b)(4) of the Federal Rules of Criminal Procedure, this Consent Preliminary Order of Forfeiture/Money Judgment is final as to the Defendant GERALD SHVARTSMAN, and shall be deemed part of the sentence of the Defendant, and shall be included in the judgment of conviction therewith.

3. All payments on the outstanding Money Judgment shall be made by postal money order, bank or certified check, made payable to the United States Marshals Service, and

delivered by mail to the United States Attorney's Office, Southern District of New York, Attn: Illicit Finance and Money Laundering Unit, 26 Federal Plaza, 38th Floor, New York, New York 10278 and shall indicate the Defendant's name and case number.

4. The United States Marshals Service is authorized to deposit the payments on the Money Judgment into the Assets Forfeiture Fund, and the United States shall have clear title to such forfeited property.

5. Pursuant to Title 21, United States Code, Section 853(p), the United States is authorized to seek forfeiture of substitute assets of the Defendant up to the uncollected amount of the Money Judgment.

6. Pursuant to Rule 32.2(b)(3) of the Federal Rules of Criminal Procedure, the United States Attorney's Office is authorized to conduct any discovery needed to identify, locate or dispose of forfeitable property, including depositions, interrogatories, requests for production of documents and the issuance of subpoenas.

7. The Court shall retain jurisdiction to enforce this Consent Preliminary Order of Forfeiture/Money Judgment, and to amend it as necessary, pursuant to Rule 32.2 of the Federal Rules of Criminal Procedure.

8. The signature page of this Consent Preliminary Order of Forfeiture/Money Judgment may be executed in one or more counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument.

AGREED AND CONSENTED TO:

DAMIAN WILLIAMS
United States Attorney for the
Southern District of New York

By: *Daniel Nessim*
DANIEL G. NESSIM
ELIZABETH A. HANFT
MATTHEW R. SHAHABIAN
Assistant United States Attorneys
26 Federal Plaza, 38th Floor
New York, NY 10278
(212) 637-2486


4/2/2024

DATE

GERALD SHVARTSMAN


By: 
GERALD SHVARTSMAN

4/03/24
DATE

By: 
ROLAND RIOPELLE, ESQ.
Attorney for Defendant
950 Third Avenue, 31st Floor
New York, NY 10022

4/03/24
DATE

SO ORDERED:


HONORABLE LEWIS J. LIMAN
UNITED STATES DISTRICT JUDGE

4/3/2024
DATE